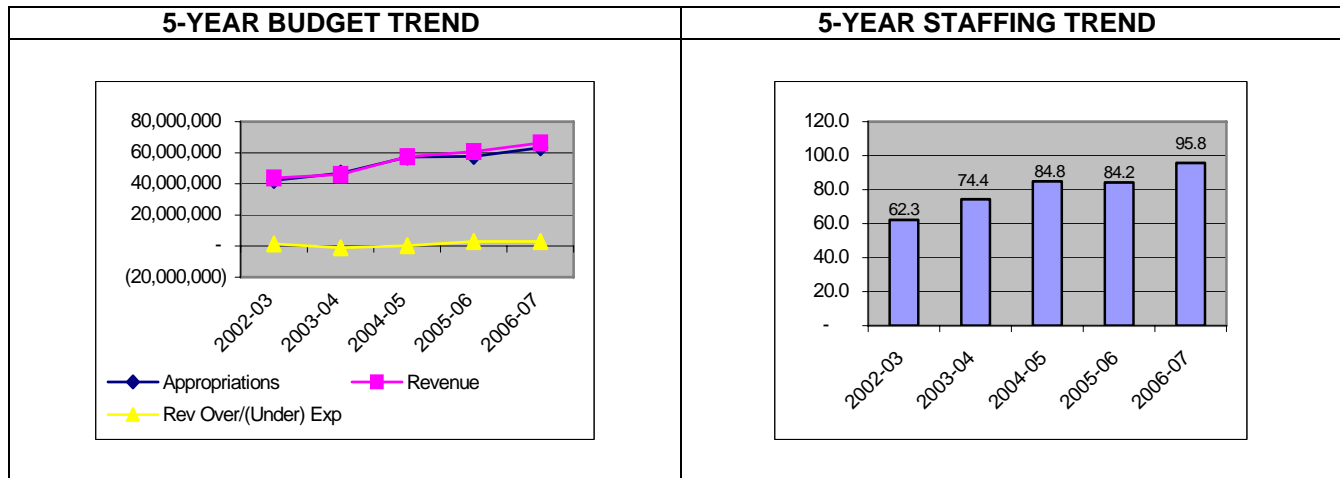


Solid Waste Management Division - Operations

DESCRIPTION OF MAJOR SERVICES

The Solid Waste Management Division (SWMD) is responsible for the operation and management of the county's solid waste disposal system, which consists of six regional landfills, eight transfer stations, and five community collection centers. In this capacity, SWMD provides oversight, direction, and guidance to Burrtec Waste Industries (Burrtec), the county's contractor for disposal site operations and maintenance. In addition, SWMD oversees the post-closure maintenance at 27 inactive or closed landfills and waste disposal sites throughout the county. The SWMD also administers the county's solid waste handling franchise program and the refuse collection permit program, which authorizes regular trash collection by private haulers in the county unincorporated area. Lastly, SWMD is responsible for the county's waste reduction, reuse, and recycling programs.

BUDGET HISTORY



PERFORMANCE HISTORY

	Actual 2002-03	Actual 2003-04	Actual 2004-05	Modified Budget 2005-06	Estimate 2005-06
Appropriation	42,272,333	46,873,639	58,981,396	57,786,186	120,497,482
Departmental Revenue	49,767,433	56,736,707	64,983,166	60,737,062	111,067,980
Revenue Over/(Under) Exp	7,495,100	9,863,068	6,001,770	2,950,876	(9,429,502)
Budgeted Staffing				84.2	
Fixed Assets	265,067	442,845	126,740	2,636,975	663,340
Unrestricted Net Assets Available at Year End	2,717,299	3,321,205	13,357,987		551,157

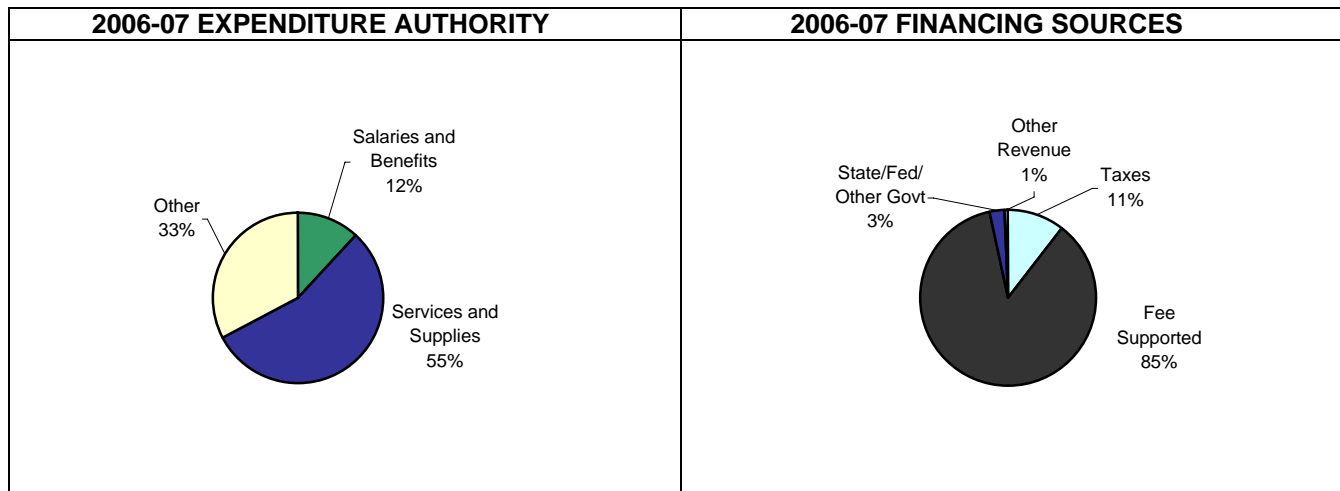
The estimated expenses for 2005-06 (including depreciation) are expected to exceed budget by approximately \$63 million, while revenues are expected to be approximately \$50 million greater than budget.

The increase in expenses is primarily due to an additional \$60 million in operating transfers to other funds. This amount includes \$34 million to provide funding for enhancement, acquisition and expansion projects; \$17 million for environmental projects; and an additional \$8 million for the final repayment to the county general fund for properties purchased by the general fund prior to 1982.

The increase in revenues is primarily due to \$47 million in proceeds from the sale of property located adjacent to the Milliken Sanitary Landfill.



ANALYSIS OF PROPOSED BUDGET



GROUP: Public and Support Services
 DEPARTMENT: Public Works - Solid Waste Mgmt
 FUND: Operations

BUDGET UNIT: EAA EWC EWE SWM
 FUNCTION: Health & Sanitation
 ACTIVITY: Sanitation

	2002-03 Actual	2003-04 Actual	2004-05 Actual	2005-06 Estimate	2005-06 Final Budget	2006-07 Proposed Budget	Change From 2005-06 Final Budget
Appropriation							
Salaries and Benefits	3,396,118	4,347,271	4,807,998	6,201,458	6,158,518	7,387,675	1,229,157
Services and Supplies	25,938,992	27,150,357	27,900,829	32,943,632	30,581,212	34,333,086	3,751,874
Central Computer	28,878	20,665	51,363	55,218	55,218	67,311	12,093
Other Charges	5,300,158	10,116,729	11,270,660	15,890,712	12,838,020	14,485,219	1,647,199
Transfers	221,786	238,617	258,662	499,989	375,491	431,186	55,695
Contingencies	-	-	-	-	1,834,205	-	(1,834,205)
Total Appropriation	34,885,932	41,873,639	44,289,512	55,591,009	51,842,664	56,704,477	4,861,813
Depreciation	-	-	315,368	592,147	592,147	947,346	355,199
Operating Transfers Out	7,386,401	5,000,000	14,376,516	64,314,326	5,351,375	5,556,032	204,657
Total Requirements	42,272,333	46,873,639	58,981,396	120,497,482	57,786,186	63,207,855	5,421,669
Departmental Revenue							
Taxes	7,129,352	7,148,723	7,473,566	7,105,264	7,374,118	7,086,750	(287,368)
Licenses and Permits	1,065,898	1,918,611	1,983,621	1,919,200	2,003,857	2,105,800	101,943
Use Of Money and Prop	259,310	281,754	455,282	436,639	331,548	292,500	(39,048)
State, Fed or Gov't Aid	624,352	1,253,073	931,971	1,184,344	82,477	1,689,419	1,606,942
Current Services	34,018,337	45,005,345	52,283,375	51,937,204	50,848,662	54,949,707	4,101,045
Other Revenue	76,345	198,201	1,341,372	1,171,589	6,400	106,332	99,932
Other Financing Sources	-	-	273,616	47,000,000	90,000	-	(90,000)
Total Revenue	43,173,594	55,805,707	64,742,803	110,754,240	60,737,062	66,230,508	5,493,446
Operating Transfers In	6,593,839	931,000	240,363	313,740	-	37,527	37,527
Total Financing Sources	49,767,433	56,736,707	64,983,166	111,067,980	60,737,062	66,268,035	5,530,973
Rev Over/(Under) Exp	7,495,100	9,863,068	6,001,770	(9,429,502)	2,950,876	3,060,180	109,304
Budgeted Staffing					84.2	95.8	11.6
Fixed Assets							
Land	-	-	105,000	70,000	-	-	-
Improvement to Land	-	-	773	450,000	2,500,000	460,000	(2,040,000)
Equipment	265,067	442,845	20,967	36,671	-	142,814	142,814
Vehicles	-	-	-	106,669	136,975	79,500	(57,475)
Total Fixed Assets	265,067	442,845	126,740	663,340	2,636,975	682,314	(1,954,661)

Salaries and benefits are increasing by \$1,229,157. Of this amount, \$301,098 is the result of incurred costs associated with MOU, retirement, and workers' compensation adjustments. Of the remaining amount, \$754,024 is for the cost of the following 9.0 new positions being requested by SWMD:

- 5.0 positions for the Operations, Scales & Maintenance section as follows:



1.0 Scale Operator (\$61,253) to staff the fourth scale at the Mid-Valley Sanitary landfill. The addition of the scale operator will improve customer service and help reduce the waiting time for vehicles entering the landfill.

1.0 Public Works Operations Supervisor (\$99,453) to provide direct supervision to a staff of six individuals (2.0 new Landfill Operations Inspectors; 2.0 existing Landfill Operations Inspectors; 1.0 Maintenance and Construction Supervisor; and 1.0 Fiscal Assistant) responsible for the day-to-day oversight of facilities. This position will also be responsible for the critical task of ensuring that the landfill operations contractor is in compliance with the provisions of their contract.

2.0 Landfill Operations Inspectors (\$163,120) will report to the Public Works Operations Supervisor and will be responsible for day-to-day facility oversight, maintenance and repairs as required at the scale facilities. These Inspectors will also provide oversight of the Construction & Demolition Recycling areas at all landfills when the program is fully implemented.

1.0 Scale Operations Lead Supervisor (\$81,560) is needed to manage all scheduling and long term planning for the scale operations unit. This position will also be responsible for customer service and the handling of customer complaints, budget and purchasing for this unit, and the monitoring of all sites for permit compliance. In addition, this position will provide temporary relief as required to ensure scale facilities are sufficiently staffed to provide the best possible customer service.

- 2.0 positions for the Support Services section as follows:

1.0 Accountant I (\$83,410) to assist with all aspects of year end accounting and annual budget, revenue and expenditure tonnage reporting and analysis, special fund reconciliation and detailed financial reporting.

1.0 Staff Analyst I (\$83,410) to manage special programs and projects to ensure adherence with budget and assist in monitoring and verifying that required documentation is maintained for audit purposes.

- 1.0 Engineering Tech IV (\$92,129) for the Closures, Expansions and Operations Support section to provide construction inspections and various engineering and operations support tasks.
- 1.0 Recycling Specialist (\$89,698) for the Environmental Engineering and Construction Management section to assist the special programs unit with developing and implementing community based waste diversion programs needed for the County to comply with Assembly Bill 939 statutory regulations.

SWMD is also increasing salaries and benefits by a net amount of \$174,035 for an additional 2.6 in budgeted staffing resulting from the following: full year funding of two Engineering Tech IV positions that had been reduced during 2005-06 because two staff members were on military leave; increased overtime for a number of individuals; and a reduction in staff time related to Bark Beetle issues in the local mountains.

Services and supplies are increasing by a net amount of \$3,751,874 mainly because of the following:

- \$3.4 million increase to the landfill operations contract with Burrtec due to a cost of living adjustment and increased costs based on additional tonnage anticipated at the landfills.
- \$1.3 million increase in waste diversion program services for in-house and contracted costs, including recycling operations.
- \$0.6 million decrease due to a significant reduction in bark beetle wood waste tonnage.
- \$0.3 million decrease in legal fees related to the Perchlorate Program.

Other charges are increasing by \$1,647,199 due to an increase in debt service principal and interest payments on the 2003 bond.

Transfers are increasing by \$55,695. This amount will be transferred to the county Code Enforcement Division for costs related to a SEP grant.

Contingencies are being reduced by \$1,834,205. This amount will be modified upon Board approval of the 2006-07 proposed fee adjustments.

Depreciation is increasing by \$355,199 based on existing depreciation schedules. This increase does not impact the financial resources of SWMD since depreciation expense is a non-cash transaction that is adjusted annually for accounting purposes.

Taxes are decreasing by \$287,368 due to the over-estimation in 2005-2006 of the expected amount of equivalent single family residence (ESFR) fees paid with the property tax bill.

Licenses and permits are increasing by the nominal amount of \$101,943. This revenue is generated from unincorporated area franchise haulers.

Use of money and property is decreasing by \$39,048 due to less rental revenue from Bark Beetle lumber storage in the Lake Arrowhead area.

State, federal and other governmental aid is increasing by \$1,606,942 mainly because of federal and state reimbursements anticipated for costs related to the wildfires of 2003 and the storms of 2004-05.

Current services are increasing by \$4,101,045 mainly due to a cost of living adjustment for the Waste Delivery Agreements, as well as increases in the amount of tonnage accepted at the landfills and other disposal facilities.

Other revenue is increasing by \$99,932 from exemption program application fees.

Other financing sources are decreasing by \$90,000 because no proceeds are anticipated from the sale of fixed assets.

Operating transfers in are increasing by \$37,527 related to the reimbursement of costs associated with a community outreach grant from the Department of Conservation.

Improvements to land are budgeted at \$460,000 for 2006-07. This amount includes \$286,000 for resurfacing the entry road at the Twentynine Palms Sanitary Landfill; \$99,000 for resurfacing the entry road at the Colton Sanitary Landfill; and \$75,000 to replace an existing truck scale at the San Timoteo Sanitary Landfill.

Equipment and vehicles are budgeted at \$142,814 and \$79,500, respectively, to purchase a number of items needed for landfill operations.

PERFORMANCE MEASURES		
Description of Performance Measure	Estimated 2005-06	Proposed 2006-07
Pounds of trash per cubic yard of capacity - Low Volume Sites.	960 lbs	1,000 lbs
Pounds of trash per cubic yard of capacity - Medium Volume Sites.	1,115 lbs	1,200 lbs
Pounds of trash per cubic yard of capacity - High Volume Sites.	1,035 lbs	1,100 lbs

This performance measure demonstrates SWMD's emphasis on utilizing landfill capacity in the most effective manner to assure that landfill space is available for the foreseeable future. Increasing the density of trash is an easily measured objective and one that SWMD believes can be achieved. Contract language and incentives are currently being reviewed with Burrtec to facilitate the realization of this objective.



FEE REQUEST SUMMARY				
Brief Description of Fee Request	Budgeted Staffing	Appropriation	Departmental Revenue	Revenue Over/(Under) Exp
Increase Ordinary Refuse Fee for COLA of \$1.77 The Waste Delivery Agreements (WDA) provide for an annual cost-of-living-adjustment (COLA) and a spread of \$4.50 between the Ordinary Refuse Fee and the WDA Fee. This fiscal year the COLA increased by \$1.77 or 5.37%. There is no tonnage increase for Ordinary Refuse.	-	897,531	897,531	-
Increase Hard/Special Handle Tipping Fee for COLA of \$1.77 The Hard/Special Handle Tipping Fee is increased to match the ordinary refuse rate COLA.	-	708	708	-
Increase Uncovered/Unsecured Load Tipping Fee for COLA of \$1.77 The Uncovered Load Fee allows a charge at the gate for vehicles arriving without having covered the refuse to prevent it from blowing off the vehicle. The fee is increased to match the ordinary refuse rate COLA.	-	526	526	-
Total	-	898,765	898,765	-
Should these fees be approved, the \$898,764 of additional revenue generated would be set aside in contingencies for future use by the Solid Waste Management Division.				

